GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Chit Fund Act, 1982 – Appeal Petition filed by Mrs. Shaik Kousar Parveen, W/o. Khaza Mohiddin and Mr. Shaik Khaza Mohiddin, SPSR Nellore against the award passed in Dispute No.180/2017 dated 10.07.2018 by the Deputy Registrar of Chits, Nellore – Orders – Issued.

REVENUE (REGN.II) DEPARTMENT

G.O.RT.No. 207 **Dated: 10-02-2020**

Read the following:-

1. Appeal Petition filed by Mrs. Shaik Kousar Parveen, W/o. Khaza Mohiddin and Mr. Shaik Khaza Mohiddin, SPSR Nellore, dated 24.12.2019.
2. Govt. Letter No.REGSOACTS (CHITS)/02/2020, dated:31.01.2020.

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ORDER:-

Mrs. Shaik Kousar Parveen, W/o. Khaza Mohiddin and Mr. Shaik Khaza Mohiddin, SPSR Nellore have filed an Appeal Petition under Section 70 of the Chit Fund Act, 1982 against the award in Dispute No.180/2017, dated 10.07.2018 passed by the Deputy Registrar of Chits, Nellore.

2. Brief facts of the case is as follows:-

(i) Mrs. Shaik Kousar Parveen herein has joined the Chit Fund Company as a subscriber in a Chit Group No.ANET01T for a value of Rs.25,00,000/- which is payable at the rate of Rs.50,000/- per month for a period of 50 months and the appellant herein has participated in the chit auction held on 15.07.2016 and became successful bidder having agreed to forego an amount of Rs.10,00,000/- out of chit value of Rs.25,00,000/- and after declaring as successful bidder, the appellant submitted 2 to 9 as guarantors, who executed an agreement of guarantee and also executed demand promissory note and other necessary documents in favour of Respondent No.1 (Chit Fund Company) and the company has paid the prize amount of Rs.15,00,000/- on 15.11.2016 through cheque and adjustment. The appellant paid only 15 installments and thereafter committed default in paying the 16th installment i.e., from 16.03.2017 onwards. The 1st respondent herein has issued a demand legal notice dated 22.07.2017 to all the opponents through their advocate. As there is no reply, the 1st respondent filed a dispute application before the Deputy Registrar of Chits, Nellore and the same was numbered as Dispute No.180/2017. The Deputy Registrar of Chits, Nellore sent notices to 1-9 respondents herein to appear before the Arbitrator/Dy. Registrar of Chits. The Deputy Registrar of Chits, Nellore has passed award in Dispute No.180/2017 dated 10.07.2018 in favour of the Respondent No.2 herein ordering that the company is entitled to recover a sum of Rs.19,00,271/- (Rupees Nineteen Lakhs Two Hundred and Seventy One only) jointly and severally from opponents together with interest at the rate of 18% per annum on the principal amount of Rs.17,19,250/- from the date of filing of claim petition i.e., 18.10.2017 to till the date of realization and also Rs.40,131/- towards costs of the dispute.

(ii) Aggrieved by the above said award, the appellant filed the present appeal.

3. The case is posted for hearing on 07.02.2020 at 11.00 a.m. The Counsel for the Appellant and the Counsel for Respondent (Chit Fund Company) attended. Heard both the parties.

4. Government after careful examination of the material available on record, allowed the appeal partly and the order passed by the Deputy Registrar of Chits,

(P.T.O)

Nellore is hereby modified. The appellant herein who is the Opponent No.1 and his guarantors who are the other opponents in Dispute No. 180/2017 on the file of Deputy Registrar of Chits, Nellore are hereby directed to pay the Award amount of Rs.17,19,250/- (Rupees Seventeen Lakhs Nineteen Thousand Two Hundred and Fifty Only) with a deduction of Rs.50,000/- towards the Company Commission, jointly and severally within 3 months i.e., by 10.05.2020. In default, the Respondent No.2 (Chit Fund Company) who is the disputant in Dispute No.180/2017 is at liberty to proceed as per Chit Fund Act,1982 to recover the award amount as decreed by Deputy Registrar of Chits, Nellore in Dispute No.180/2017 after 10.05.2020 from the opponents.

5. In exercise of powers conferred under section 70 of the Chit Fund Act, 1982, the Government is hereby partly allowed the appeal of the appellant being common understanding of both the parties and disposed of accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr. D.SAMBASIVA RAO,
SPECIAL CHIEF SECRETARY TO GOVERNMENT

1. The Dy. Registrar of Chits, Nellore.
2. M/s Sri Sai Anjana Chits Funds (India) Pvt., Ltd., Nellore through the Dy. Registrar of Chits, Nellore.
3. Mrs. Shaik Kousar Parveen,w/o. Khaja Mohiddin, D. No.26-3-1025, 5th Street, Teachers Colony, Jyotthi Nagar,Nellore City, SPSR Nellore Dist. through the Dy. Registrar of Chits, Nellore.
4. Mr. Shaik Khaja Mohiddin, S/o. Khasim Saheb, D. No.26-3-1025, 5th Street, Teachers Colony, Jyotthi Nagar,Nellore City, SPSR Nellore Dist. Nellore through the Dy. Registrar of Chits, Nellore.
5. Ms. Eluru Sailaja, D/o. Nagabhushanam, D.No. 26/16/68, Kaveri Avenue, Opp.Jesus Church, Kondayapalem, Nellore through the Dy. Registrar of Chits,Nellore.
6. Mr. Shaik Khadar Masthan, S/o. Dasthagiri Saheb, D.No. 1-436, Chanikyapuri Main Road, Near Mosque, P. Ramachandra Reddy Nagar, Nellore through the Dy. Registrar of Chits, Nellore.
7. Mr. Shaik Abdul Jabbar, S/o. Hussain Saheb, D.No. 4/147, Near Srinivasa Theatre, Kothapeta Village, Rapur Mandal, Nellore through the Dy. Registrar of Chits, Nellore.
8. Mr. M.Venkateswarlu, S/o. Ramanaiah, D.No. 25/10-403, Kesavulu Nagar, Vedayapalem, Nellore through the Dy. Registrar of Chits, Nellore.
9. Ms. Shaik Haseena, D/o. Khaja Mohiddin, D.No. 26-3-1025, 5th Street, Teachers Colony, Jyothi Nagar, Nellore through the Dy. Registrar of Chits, Nellore.
10. Mr. Shaik Karimulla, S/o. Jahangir, D.No. 5-282/83, Near Prasanthi Vidyanikethan School, Chanikyapuri Colony, Podalakur Road, Nellore through the Dy. Registrar of Chits, Nellore.
11 Mr. M.Venkat Ratnam, S/o. Penchalaiah, Near Ram Nagar Gate, Podalakur Village, Nellore, through the Dy. Registrar of Chits, Nellore.
12. Sri Dasari Rajasekhar and Smt. S.Aruna, Advocates, D.No.29-1-30A, Governorpet, Vijayawada through the Dy. Registrar of Chits, Nellore.
13. The Commissioner & Inspector General, R&S, A.P., Vijayawada.
14. The P.S. to Spl. C.S. to Govt., Revenue (Regn) Dept.

//FORWARDED:BYORDER//

SECTION OFFICER